for Work Programme was in operation during January, 2001 and March, 2002 and under this programme eleven States affected by Natural Calamities were provided foodgrains free of cost.

(c) Statement I and II showing foodgrains allocated under Sampoorna Gramin Rozgar Yojana and Food for Work Programme since 2000-2001 are annexed.

[Refer to the Statement-I and II appended to the Answer to Unstarred Question No. 918.]

Purchase Tax on procurement of foodgrains

932. SHRIMATI AMBIKA SONI:
DR. T. SUBBARAMI REDDY:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether his Ministry has proposed to prevent States from milking Government to the tune of Rs. 3,000 crore anngally in the form of a purchase tax on the foodgrains procured from their farmers;

(b) if so, whether Government has decided to pit the farmers, the beneficiaries of procurement, against their State Governments to bring the tax down;

(c) if so, whether any legislation in this regard is being considered; and

(d) if so, by when this legislation is likely to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION {SHRI U.V. KRISHNAM RAJU): (a) to (d) Certain States have been imposing heavy taxes/levies on procurement of foodgrains, which has contributed to the increase in the food subsidy. It was decided by the Government that from Kharif 2002, the element of States Taxes levied on the procurement price would be limited to 4% of MSP and any State taxes in excess of 4% would be contained within the MSP. However, the Ministry of Agriculture is reconsidering this decision.